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Programme questions: evaluation

## Evaluation of the Economic Commission for Latin America and the Caribbean: subprogramme 3 – Macroeconomic policies and growth

### Report of the Office of Internal Oversight Services

#### *Summary*

The Office of Internal Oversight Services (OIOS) assessed the relevance, effectiveness and coherence of subprogramme 3 of the Economic Commission for Latin America and the Caribbean (ECLAC), implemented by the Economic Development Division, for the period 2018–2021.

Stakeholders recognized the role of the Division in supporting sustainable and inclusive economic growth and development in the region, as well as its ability to flexibly address the needs of member States and the evolving regional priorities, including the highly responsive and targeted support provided to address challenges related to the coronavirus disease (COVID-19) pandemic. They consistently acknowledged multiple comparative advantages of the Division and noted the Division's high level of regional, technical and analytical expertise, its holistic approach to economic development, its ability to facilitate peer-to-peer learning, and the neutrality and objectiveness of its organizational voice.

Knowledge products and capacity development work of the Division consistently led to increased awareness and improved member State policy debate on critical economic development issues, including support to the 2030 Agenda for Sustainable Development. Across case study countries, activities of the Division contributed to improved policy design and implementation, for example in the areas of promoting financial inclusion, labour market policy and fiscal response to the pandemic. Evidence pointed towards contributions of the Division to concrete policy design or approval in 56 per cent of its capacity-building projects. However, in the remainder of projects, the Division faced challenges that blocked it from contributing

\* The dates for the substantive session are tentative.

\*\* [E/AC.51/2022/1](#).



to outcomes beyond the immediate result of increased awareness. Despite strong positive feedback overall, multiple stakeholder interviewees reported that additional country-specific studies and support would be beneficial.

Cross-divisional collaboration was effective in supporting member States on economic development issues, and there were positive examples of effective inter-agency collaboration and integrated programming. In the case of the latter, however, the overall feedback was mixed, with indications that the collaborations had not yet risen to the level needed to meet United Nations development reform aspirations around system-wide coherence. For example, evidence indicated that there was a need for the Economic Development Division to coordinate further with Resident Coordinator Offices, other United Nations agencies and United Nations country team members, including additional involvement in the United Nations Sustainable Development Cooperation Frameworks.

OIOS recommends that the Economic Development Division:

- (a) Put in place an improved mechanism to plan, coordinate and monitor its project-based technical cooperation and capacity-building work more systematically;
- (b) Undertake a review of the country-level coverage of the Division's activities to inform management actions and strategies;
- (c) Develop a detailed internal strategic plan and/or guiding principles to articulate the role and responsibilities of the Division in the context of United Nations development reform.

## I. Introduction and objective

1. The objective of the evaluation was to determine, as systematically and objectively as possible, the relevance, effectiveness and coherence of subprogramme 3 of the Economic Commission for Latin America and the Caribbean (ECLAC), on macroeconomic policies and growth. The evaluation conforms to the norms and standards for evaluation in the United Nations system.<sup>1</sup>
2. The ECLAC management response is contained in annex I.

## II. Background

3. The mandate of ECLAC is to promote the economic, social and environmentally sustainable development of Latin America and the Caribbean through international cooperation, by undertaking applied research and comparative analyses of development processes and providing the relevant normative and operational capacity development and technical cooperation, as well as advisory services, in support of regional development efforts.
4. Subprogramme 3 of ECLAC, on macroeconomic policies and growth, is implemented by the Economic Development Division. Specifically, the Division is responsible for:
  - (a) Strengthening the capacity of policymakers and other stakeholders in the region to analyse current and emerging macroeconomic and financial issues;
  - (b) Increasing the capacity of policymakers to evaluate, design and implement macroeconomic policies for development and financing for development policies on the basis of comparative policy analysis.
5. The expected results framework of subprogramme 3 for the period 2018–2021 is summarized in table 1.

Table 1  
**Objectives, expected results and performance indicators<sup>2</sup>**

The objective of the subprogramme is to achieve sustainable and inclusive growth and development in Latin America and the Caribbean by strengthening the capacity of policymakers and other stakeholders in the region to analyse current and emerging macroeconomic and financial issues and by increasing the capacity of policymakers to evaluate, design and implement macroeconomic policies for development and financing for development policies on the basis of comparative policy analysis.

<i>Budget Year</i>	<i>Result description</i>	<i>Performance and indicator</i>
2021	<i>Result 1</i> Macroeconomic policies for development in a slow-growth environment	<i>Indicator</i> Cumulative number of measures taken by countries in the region that are in line with the analysis and recommendations of the Economic Commission for Latin America and the Caribbean (ECLAC) in the

<sup>1</sup> United Nations Evaluation Group, *Norms and Standards for Evaluation* (New York, 2016).

<sup>2</sup> See A/75/6 (Sect.21) and A/72/6 (Sect.21).

		areas of macroeconomic financing for development policies
	<i>Result 2</i>	<i>Indicator</i>
	Ramping up of resource mobilization to finance the Sustainable Development Goals	Cumulative number of resource mobilization policies, measures and strategies
2020	<i>Result and evidence</i>	<i>Performance measures</i>
	The planned deliverables are expected to contribute to the result, which is the increased availability of and improved access to cutting-edge research and investigation to formulate better macroeconomic policies.	Evidence of the result, if achieved, will include an increased cumulative number of measures taken by countries in the region that are in line with the analysis and recommendations of ECLAC in the areas of macroeconomic financing for development policies. The result, if achieved, will demonstrate progress made in 2020 towards the collective achievement of the objective.
2018–2019	<i>Expected accomplishment (a)</i>	<i>Indicators of achievement (a)</i>
	Strengthened capacity of policymakers and other stakeholders in Latin America and the Caribbean to analyse current and emerging macroeconomic and development financing issues	(i) Percentage of surveyed readers who acknowledge having benefited from the subprogramme publications in terms of strengthened capacity to analyse macroeconomic and development financing issues;  (ii) Number of references to the publications and activities of the subprogramme included in official, academic and specialized publications.
	<i>Expected accomplishment (b)</i>	<i>Indicators of achievement (a)</i>
	Increased capacity of policymakers in Latin America and the Caribbean to evaluate, design and implement macroeconomic and development financing policies on the basis of a comparative policy analysis that fosters sustainable and inclusive economic growth	(i) Percentage of surveyed participants in networks organized under the subprogramme who consider the work of the forums and their policy recommendations on macroeconomic and development financing policies to be useful or very useful for macroeconomic and development financing policymaking;  (ii) Number of policies, measures or actions taken by development and policymaking authorities in line with ECLAC recommendations.

6. During the three most recent financial reporting periods, the total resources of ECLAC – consisting of the regular budget, extrabudgetary resources, the regular programme of technical cooperation and the development account – averaged \$72.4 million annually. In 2021, the Economic Development Division received 16 per cent of the ECLAC budget, excluding the development account (for which subprogramme allocations were not readily available), and had 29 posts.

### III. Methodology

7. The evaluation employed a mixed-method approach comprised of the following:

(a) Six country-level structured case study analyses to identify outcomes at the level of intended beneficiaries, trends, good practices and gaps;

(b) Review of documents concerning the contributions of the Economic Development Division to the strengthening of national policymaker abilities to inform decision-making and integrate gender, human rights, environmental and disability considerations;

(c) Analysis of databases and programme performance and budgetary data;

(d) Analysis of knowledge products;

(e) Survey of the Division stakeholders, including national policymakers, other United Nations entity representatives and other stakeholders (such as academia, think tanks, and national and international development banks);<sup>3</sup>

(f) Division stakeholder interviews (72), including national policymakers, Resident Coordinator Office staff, United Nations country team staff and other country, regional and global stakeholders;

(g) ECLAC staff survey;<sup>4</sup>

(h) ECLAC staff interviews;

(i) Direct observation of the thirty-eighth session of ECLAC, the high-level political forum plenary and side events; Sustainable Development Goal summit and SIDS Accelerated Modalities of Action (SAMOA) Pathway sessions; an extraordinary meeting of the Regional Conference on South-South Cooperation in Latin America and the Caribbean; an ECLAC presentation on the recovery paradox in Latin America and the Caribbean with regard to growth amid persisting structural problems; the fifth anniversary of the Regional Programme for Latin America and the Caribbean of the Organisation for Economic Co-operation and Development (OECD); the Economic and Social Council forum on financing for development follow-up; and a global resident coordinator meeting held in 2019.

8. With regard to limitations, some national policymakers interviewed found it difficult to distinguish outcome contributions of the Economic Development Division from the contributions of ECLAC in-country offices or other United Nations entities. OIOS mitigated this ambiguity by probing further, including by seeking clarification from in-country ECLAC offices and Division staff, and by triangulating with other data collected. In addition, despite multiple attempts to gain relevant national policymaker feedback, the evaluation team was unable to gain sufficient capacity-

<sup>3</sup> A total of 165 out of 667 respondents (response rate of 25 per cent).

<sup>4</sup> A total of 253 out of 513 respondents (response rate of 49 per cent).

building and outcome evidence on the Trinidad and Tobago case study.<sup>5</sup> OIOS mitigated this issue by drawing limited conclusions in the area associated with the unknown information.

## IV. Evaluation results

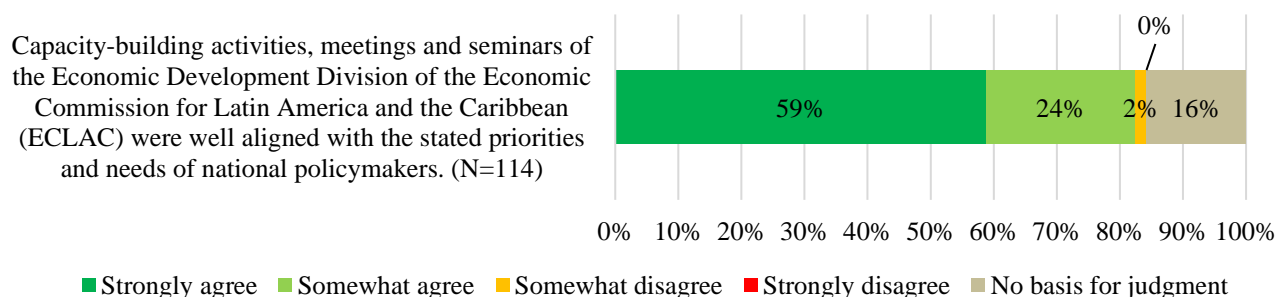
### A. Stakeholders recognized the multiple comparative advantages of the Economic Development Division and its ability to flexibly address the needs of member States and respond to the evolving needs of the region; however, there was room for improvement in certain contexts

9. The Economic Development Division addressed the needs and priorities of many member States; however, it was not always able to provide sufficient support owing to resource constraints and low visibility in some countries, which led to fewer requests.

10. Stakeholder survey respondents and interviewees provided overwhelmingly positive feedback on the alignment of the work of the Economic Development Division of ECLAC with the strategic needs and priorities of policymakers. Eighty-three per cent of the respondents agreed either strongly or somewhat that the Division's capacity-building activities were well aligned with the information needs of policymakers (see figure I). The Division's knowledge products were similarly praised. A policymaker summarized the assessments of stakeholders by noting that they had seen and heard policymakers cite ECLAC spontaneously for five decades and that the information provided by the Commission was in extensive use.

Figure I

#### Alignment with priorities of the Economic Development Division



Source: Stakeholder survey of the Office of Internal Oversight Services (OIOS).

11. Despite strong positive feedback, multiple stakeholder interviewees reported that additional country-specific studies and support would be beneficial, indicating that the information and analyses in knowledge products of the Economic Development Division were sometimes too broad for policymakers to translate into national strategies. According to one survey respondent, each country had different situations that were aggravated by the internal problems of social sectors. Therefore, it was important that the activities carried out by [the Economic Development

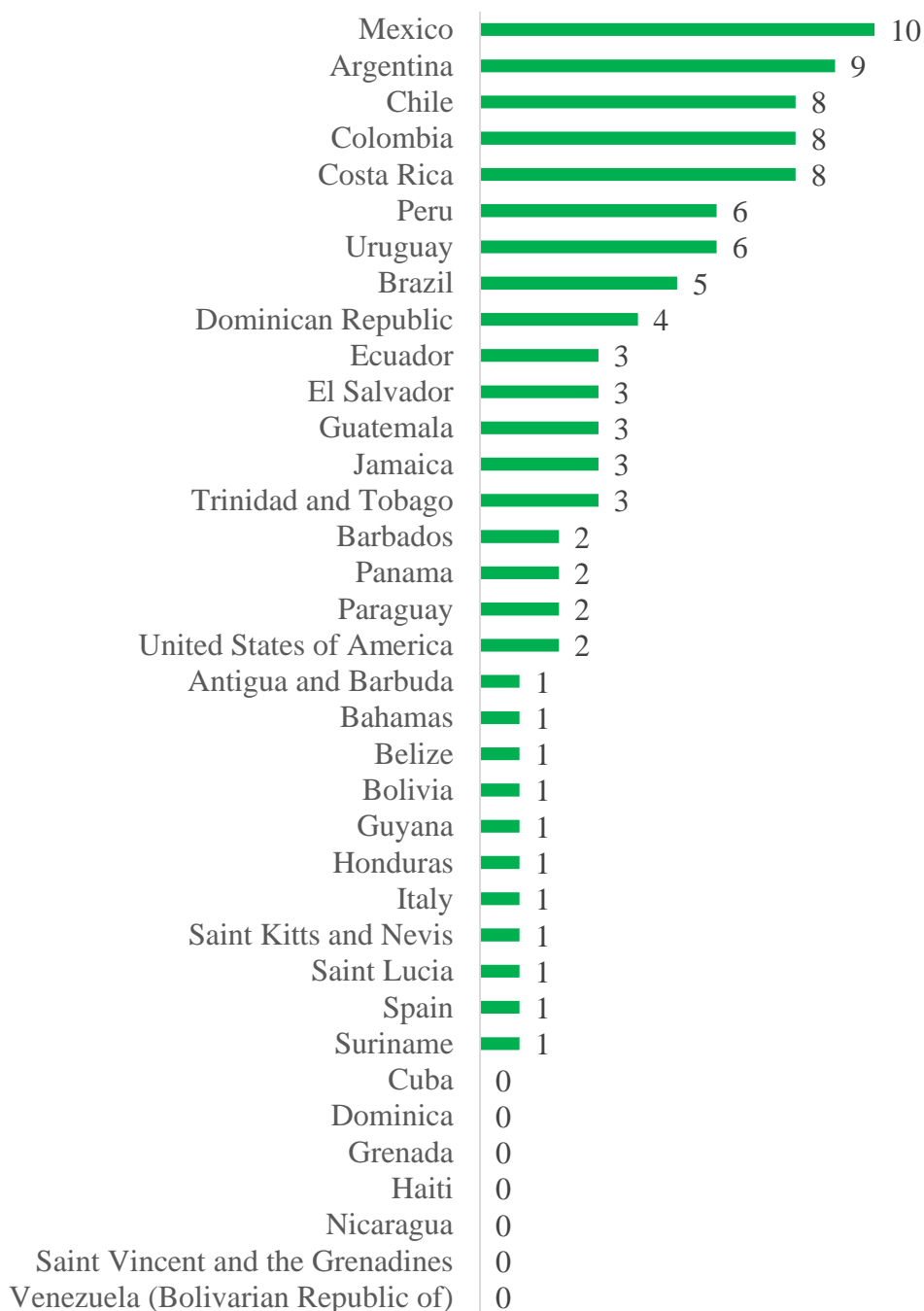
<sup>5</sup> The Economic Development Division had not carried out any specific project-based work in Trinidad and Tobago. The country was included to identify and evaluate the Division's outcomes from other interventions, including to assess the coherence of its work across the Economic Commission for Latin America and the Caribbean (ECLAC).

Division of] ECLAC make it possible to analyse those internal variables, which were different in each country. This was generally the most frequently expressed stakeholder recommendation for improved and more relevant work.

12. OIOS analysis of knowledge products of the Economic Development Division and its country-specific analytical coverage across its knowledge products revealed substantial differences. Of 33 ECLAC member States, there were seven countries that did not have at least one dedicated analytical section in a knowledge product of the Division beyond the country-specific information included in the Division's flagship reports (see figure II): Cuba, Dominica, Grenada, Haiti, Nicaragua, Saint Vincent and the Grenadines, and Venezuela (Bolivarian Republic of).

13. Similarly, eight smaller Caribbean countries, together with the Plurinational State of Bolivia, a landlocked country, had only one analytical section or knowledge product devoted to their country-level situation. The members of the management of the Economic Development Division indicated that they must frequently choose between producing knowledge products that were either reasonable in length or went into extensive detail at the country level. Analysis indicated that making more primary data available on data repositories would be welcomed by stakeholders to address the demand for regionally aggregated reports and provide national policymakers with access to data at a more granular level – more closely tailored to their country's situation. In addition, the Division coordinated the production of flagship reports, as well as six “across-region” knowledge products. The flagship reports included country notes with a dedicated analysis for each country of the region. “Across-region” knowledge products analysed specific macroeconomic policy issues with a thematic orientation, such as fiscal and labour policies, through a regional lens. While these products did not consistently include country-specific data, they often included data for a subset of countries in the region, which had the potential to inform domestic policymaking processes, according to the Division.

Figure II  
**Frequency of coverage: dedicated knowledge product or specific Economic Development Division analytical section beyond inclusion in the flagship reports of the Division<sup>6</sup>**



Source: OIOS analysis.

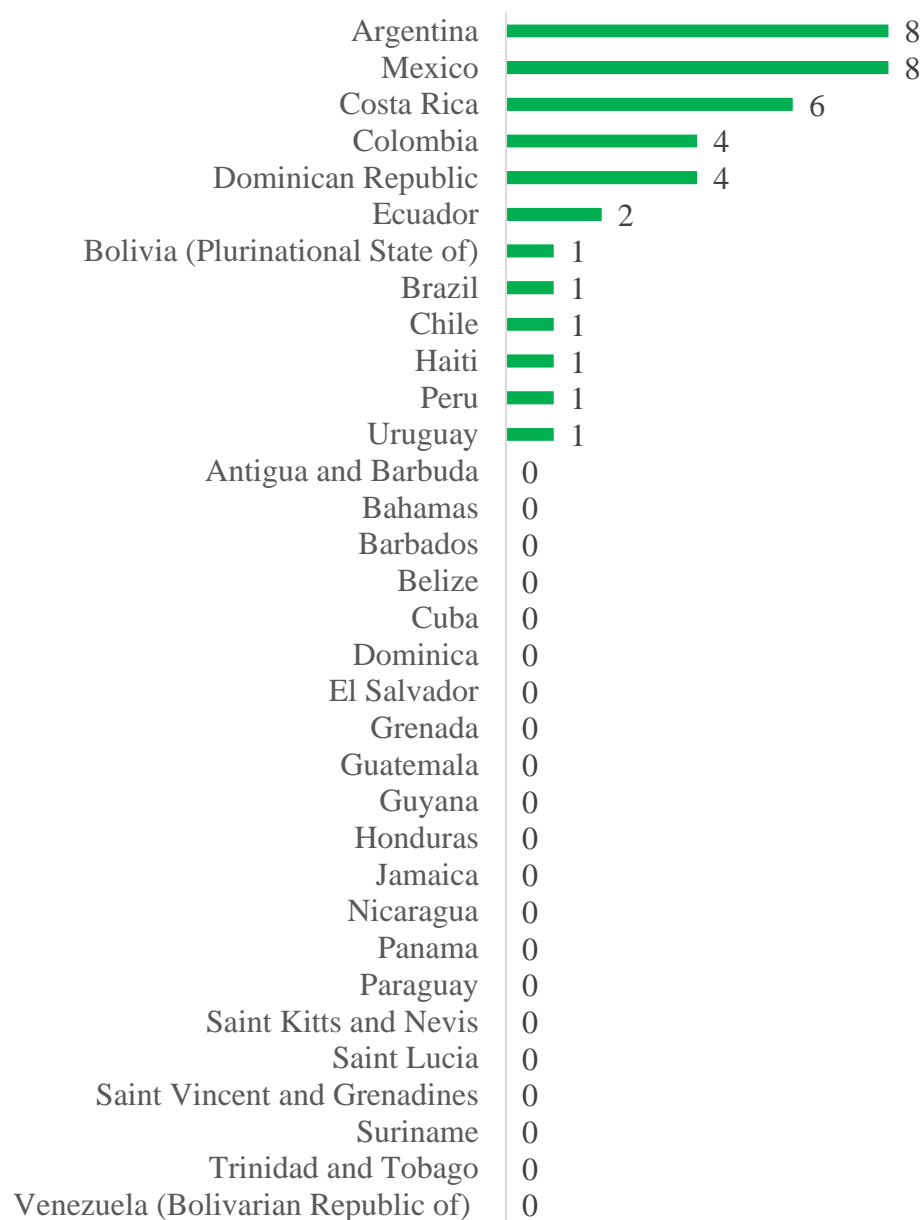
Note: The boundaries and names shown and the designations used in the above map do not imply official endorsement or acceptance by the United Nations.

<sup>6</sup> Excluding the four supported flagship reports of the Economic Development Division out of a total of 44 such reports.



14. A review of regional capacity-building activities revealed a similar trend: varying degrees of country-specific assistance. During the period 2018–2021, 84 per cent of technical cooperation/capacity-building projects (32 out of 38) that the Economic Development Division supported were concentrated in six countries: Argentina (8 projects), Mexico (8), Costa Rica (6), Colombia (4), the Dominican Republic (4) and Ecuador (2) (see figure III). The remaining 16 per cent of projects were spread across six other countries: Haiti, the country with the lowest gross domestic product per capita in the region, Bolivia (Plurinational State of), Brazil, Chile, Peru and Uruguay, each of which was supported with one Division project. In the remaining 20 countries in the region, the Division did not support any country-specific economic development capacity-building projects during the period. Many of these “zero-project countries” were smaller Caribbean and Central American countries. In line with the imperative of the 2030 Agenda for Sustainable Development to leave no one behind, some stakeholders pointed to their preference for the Division to further prioritize countries in which the economic development needs and the risk of not achieving the Sustainable Development Goals were greater.

Figure III  
**Frequency of capacity-building projects of the Economic Development Division,  
 2018–2021**



Source: OIOS analysis.

Note: The boundaries and names shown and the designations used in the above map do not imply official endorsement or acceptance by the United Nations.

15. Within the context of its mandate to support sustainable development from the perspective of the regional, subregional and transboundary issues, the management of the Economic Development Division indicated that it responded to all assistance requests. However, financial and human resource constraints, as well as low visibility in some countries that led to fewer requests, prevented the Division from being more proactive at targeting countries with higher needs that might have benefited from improved economic conditions.

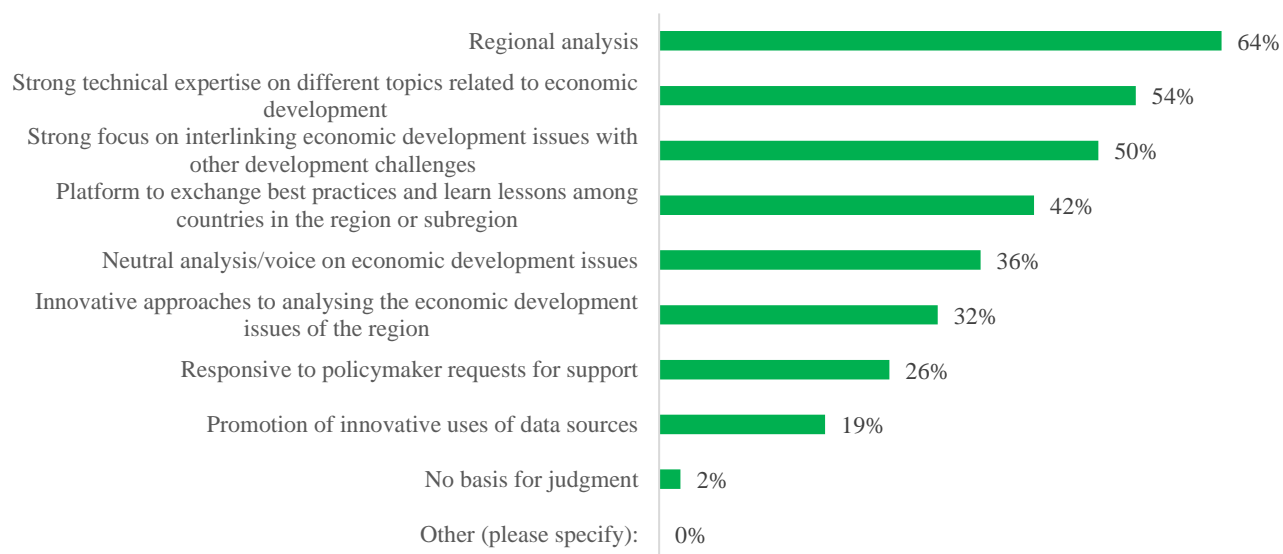
16. The comparative advantages of the Economic Development Division were its high level of regional, technical and analytical expertise; its holistic approach to economic development; its ability to facilitate peer-to-peer learning; and the neutrality and objectiveness of its voice.

17. Over fifty per cent of stakeholder survey respondents identified the main comparative advantages of the Economic Development Division to be its capacity to produce relevant economic regional analysis and its strong technical expertise in economic development, in addition to its ability to interlink economic development with other dimensions of development to address urgent inequality and sustainable development challenges. As one interviewee described it, in references by ECLAC to how the region was faring, the intersectoral problems of poverty, unemployment and economic growth sometimes collided with other challenges such as the approach to innovation in the country's national planning system. In those cases, [the Economic Development Division of ECLAC] provided technical advice for modernizing the institutions.

18. In stakeholder survey answers, which were corroborated by the case study analysis, some respondents highlighted the important role played by the Economic Development Division of ECLAC in promoting peer-to-peer learning, noting, for example, that ECLAC was the only organization capable of bringing governments together to have a dialogue and discuss relevant lessons learned. On demonstrating how the Division is recognized by other institutions working in similar spaces, a representative of OECD said that ECLAC knew Latin America and the continent, not only individual countries. To solve a series of issues, it was necessary to operate above and below the national, something ECLAC did effectively. In figure IV, information is provided on the ranking of these crucial comparative advantages by stakeholders.

Figure IV

#### The comparative advantages of the Economic Development Division

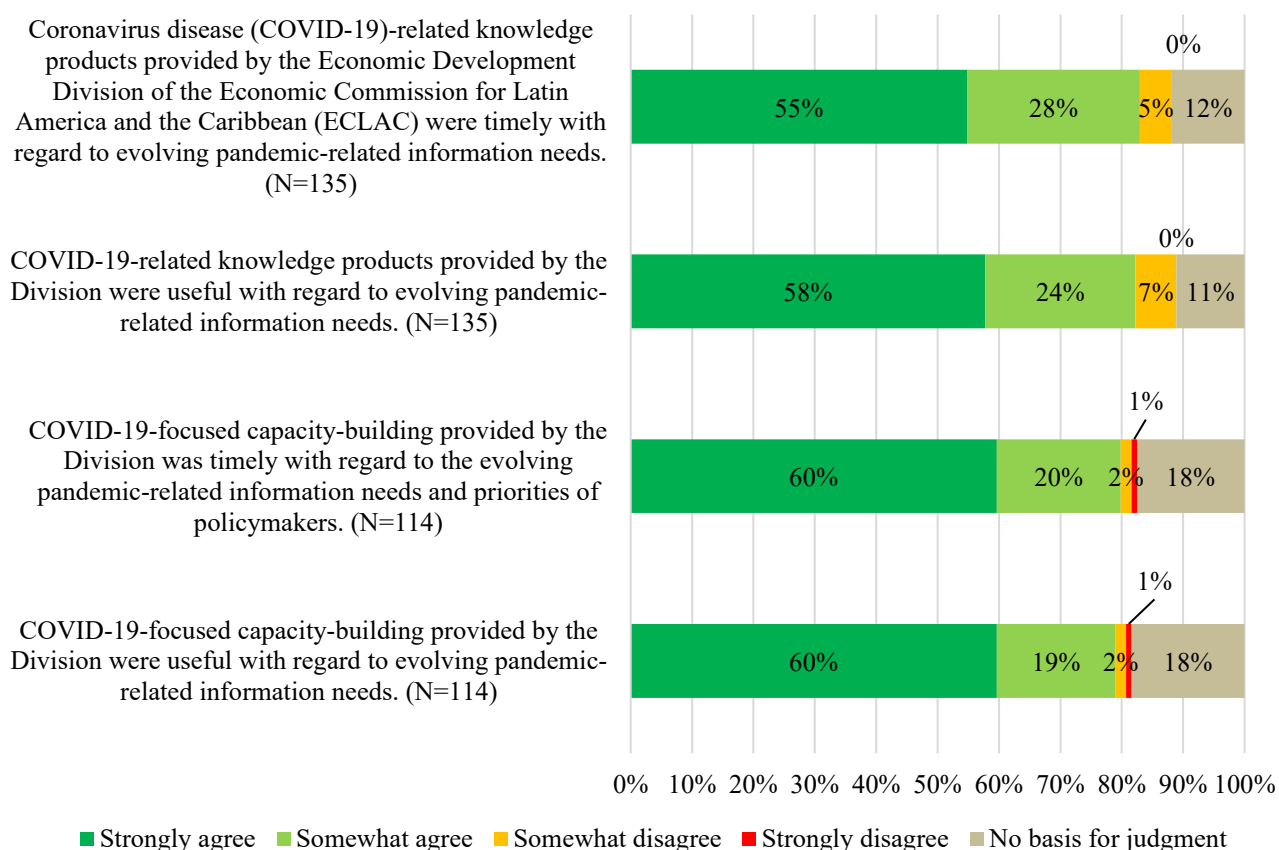


Source: OIOS stakeholder survey.

19. The Economic Development Division was adept at pivoting in a highly responsive manner to changing circumstances such as the coronavirus disease (COVID-19) pandemic and other evolving needs and priorities.

20. Stakeholder interviewees and survey respondents provided very positive feedback on the contribution of the Economic Development Division to COVID-19 recovery formulations. Most agreed that COVID-19-related knowledge products and capacity-building activities were timely and useful (see figure V). More specifically, stakeholder interviewees confirmed that the Division’s COVID-19 observatory, policy briefs and online webinars were helping policymakers to keep abreast of unfolding developments during times when little data was available. As summarized by one policymaker, ECLAC had had a robust and immediate reaction in the midst of the pandemic to identify the impact and the actions that needed to be taken.

Figure V  
**Coronavirus disease (COVID-19) support by the Economic Development Division**



Source: OIOS stakeholder survey.

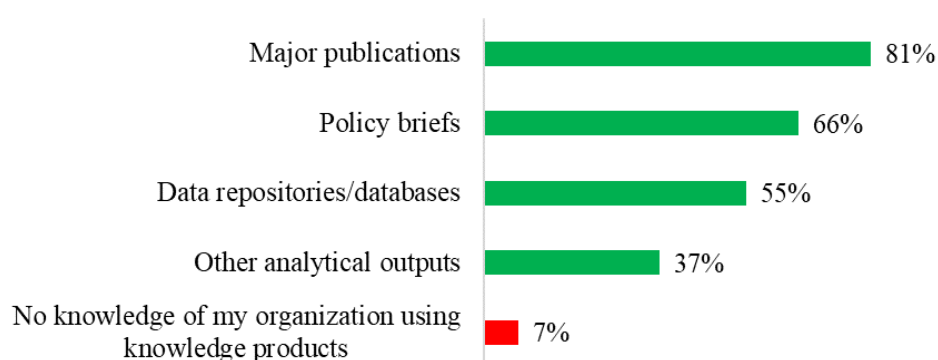
**B. Economic Development Division knowledge products and capacity development work consistently led to increased awareness of and improved member State policy debate on critical economic development issues, including support for the 2030 Agenda**

21. The knowledge products and capacity development activities of the Economic Development Division enhanced the capacity of national policymakers to analyse emerging trends and innovative policies, resulting in a richer, more objective policy debate.

22. As indicated in figure VI below, 81 per cent of stakeholder survey respondents reported that their organization had used major publications of the Economic Development Division to inform their analysis and decision-making. Significant proportions also reported having benefited from the Division's policy briefs and data repositories. Only 7 per cent of stakeholders indicated that they had no knowledge of their organization utilizing the Division's knowledge products. Some stakeholder interviewees referred to the Division's flagship reports and other products as invaluable, well-established information sources. Ministries and central and development banks reported that the Division's knowledge products informed their decision-making; think tanks and academic and statistical institutes reported that they used them to inform their methodologies and research.

Figure VI

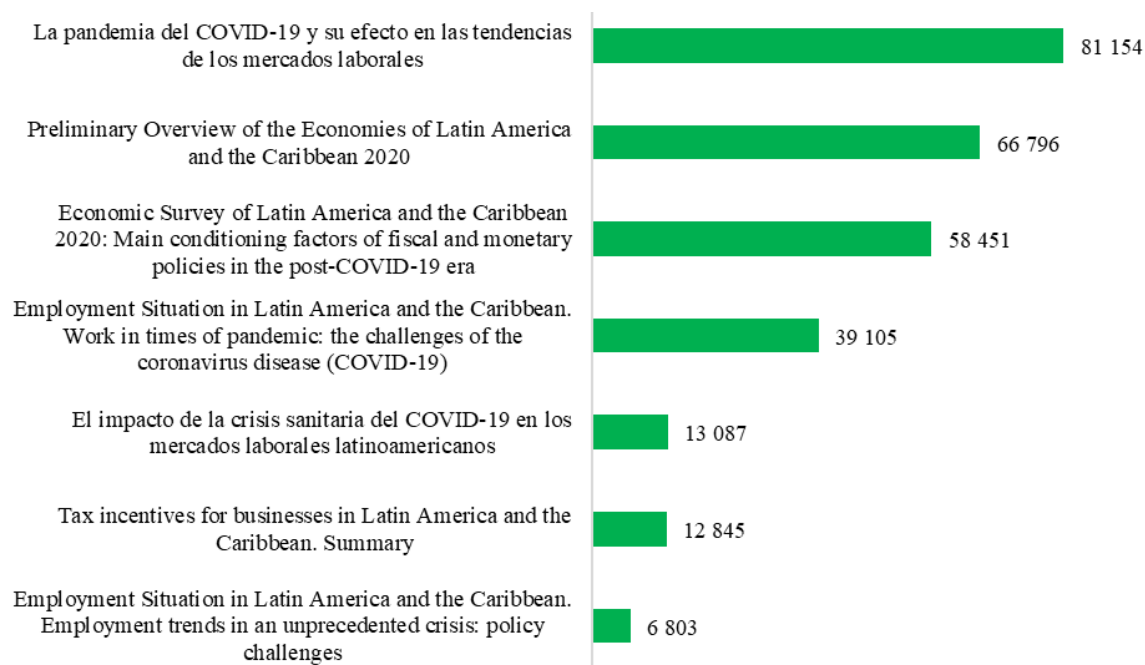
**Utilization of Economic Development Division knowledge products**



Source: OIOS stakeholder survey.

23. Stakeholders reportedly gained access to Economic Development Division knowledge products mainly through email distribution lists, social media or directly from the ECLAC website; country-level policymakers and United Nations country team members also referenced informal sharing of these knowledge products. The highest volume of downloads was associated with knowledge products covering the effect of the pandemic on labour markets, followed by the Division's flagship reports (see figure VII). The extensive use of the Division's information by a wide range of stakeholders was reported to have contributed to a more objective policy debate on different levels of policy design and accelerated decision-making, particularly during the quickly evolving pandemic.

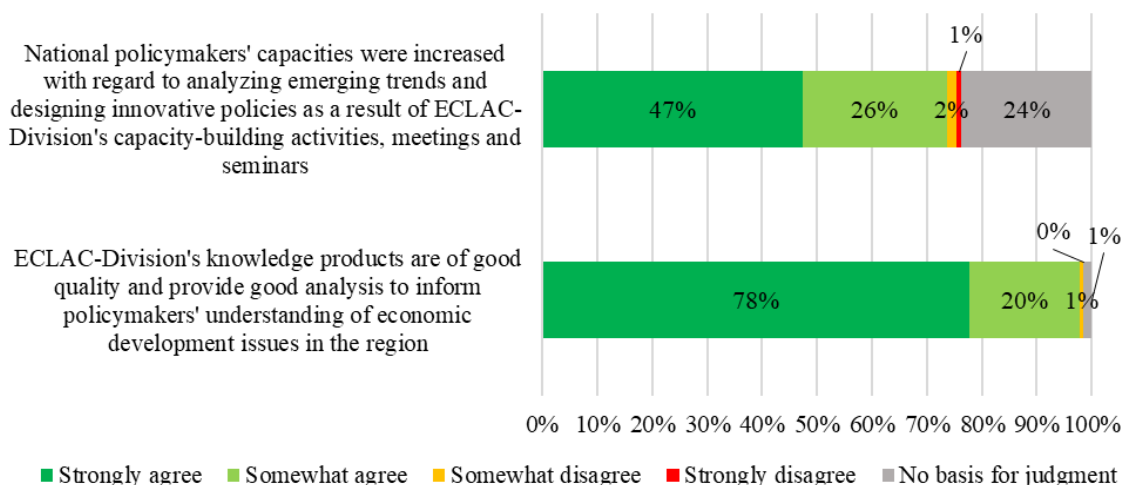
Figure VII  
**Economic Development Division knowledge product downloads**



Source: Economic Development Division data/download analytics.

24. Stakeholder survey respondents and interviewees agreed that the Economic Development Division played a key role in enhancing the capacities of national policymakers in Latin America and the Caribbean. In total, 73 per cent of stakeholders surveyed strongly or somewhat agreed that policymakers’ capacities had been increased by the Division’s capacity-building activities, and 98 per cent strongly or somewhat agreed that the Division’s knowledge products provided good analyses to inform policymakers (see figure VIII).

Figure VIII  
**Economic Development Division capacity development and knowledge products**



Source: OIOS stakeholder survey.

25. The ability of the Economic Development Division to foster the exchange of information and best practices in the region regularly resulted in faster and better-informed decision-making and was recognized as one of its more potent instruments, including in support of the Sustainable Development Goals and policymaking in the era of the COVID-19 pandemic.

26. The Economic Development Division fostered learning and better-informed decision-making through the following:

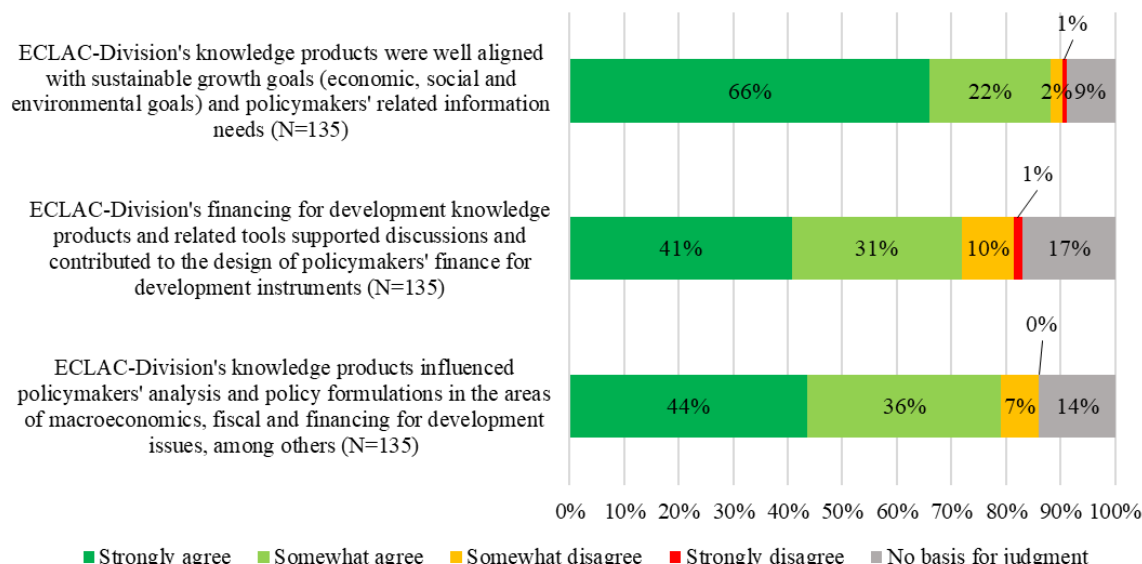
(a) **Peer-to-peer learning.** The Division’s capacity to facilitate peer-to-peer learning was one of its more powerful tools. Its management noted that policymakers learn and apply a lot when they see what their neighbour is doing. This was widely echoed by stakeholder interviewees. One summed up the views of many stakeholders, stating that “ECLAC created working groups in which we rotated and shared our experiences. It seems to me an initiative that should be replicated. This synergy between the countries of the region is one of the most luminous characteristics”.

(b) **Division-led seminars.** Stakeholder interviewees stated that Division-led fiscal seminars offered a vital platform for regional fiscal policy discourse, allowing policymakers to discuss and share challenges to improve public finance decision-making in the face of global macroeconomic uncertainty. Other Division events, also applauded by stakeholders, brought policymakers from two or more countries together on a smaller scale to work on specific subjects when countries were confronted with similar challenges and could benefit from a best practices exchange, for example, the Division facilitated dialogue between Argentine and Mexican policymakers on a second-tier financing model to increase the agriculture sector's funding volume.

(c) **Indirect information exchange.** This also took place through the broad dissemination of regional knowledge products. Stakeholder interviewees underlined that they greatly relied on the Division’s COVID-19-related information products, which reportedly allowed policymakers to quickly assess measures taken by other countries and identify relevant policy options to mitigate adverse socioeconomic effects in their countries.

27. Furthermore, there was strong evidence that the Economic Development Division had met its mandate to guide member States in the implementation of the 2030 Agenda, including by supporting the achievement of the Sustainable Development Goals. In total, 88 per cent of stakeholder survey respondents agreed that knowledge products were well aligned with the Goals (see figure IX). At the same time, while positive overall, stakeholder survey respondent feedback was more reserved on the Division’s financing for development work, with comparatively higher “no basis for judgment” and lower “strongly agree” rates, suggesting a lesser familiarity with this field of work. In the realm of financing for development, the Division’s objective was to promote the effective generation and efficient allocation of financial resources to support development and equality in Latin America and the Caribbean in support of the 2030 Agenda.

Figure IX  
**Economic Development Division alignment with the Sustainable Development Goals**

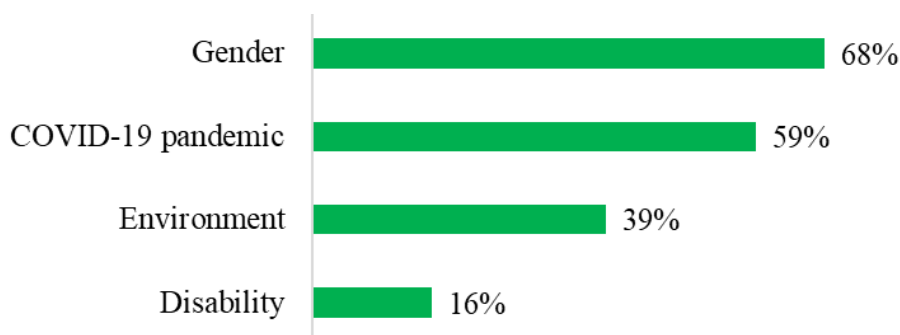


Source: OIOS stakeholder survey.

28. Stakeholder feedback regarding the Economic Development Division’s holistic approach was positive. In total, 73 per cent of stakeholder survey respondents agreed that its capacity-building activities enhanced policymakers’ abilities to mainstream gender, human rights, environmental and/or disability considerations into national policymaking.

29. OIOS analysis of the Economic Development Division’s 2020–2021 knowledge products identified information in each of three mainstreaming topic areas, but coverage varied. COVID-19-related analyses were also identified as being covered to a significant degree (see figure X).

Figure X  
**Knowledge product desk review: coverage of mainstreaming topics and COVID-19**



Source: OIOS Review.



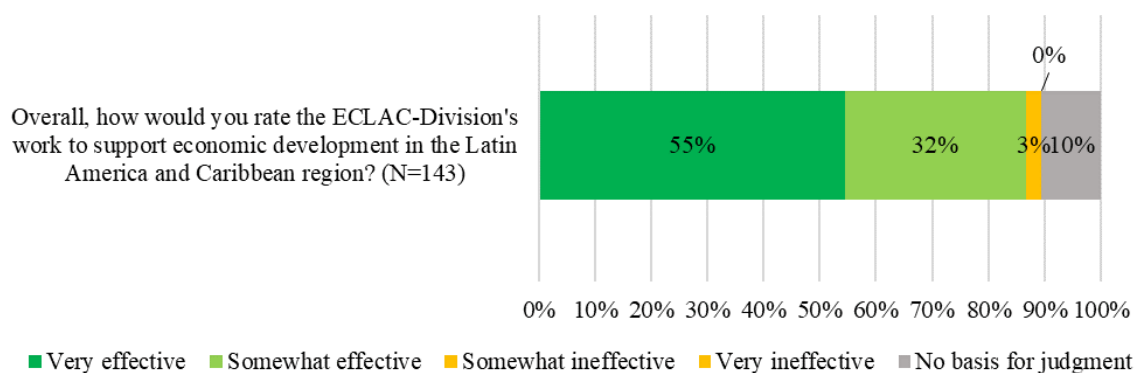
**C. Economic Development Division contributed to concrete economic development policy design and implementation – impacts were more significant when national policymakers were provided with sustained, thematic and/or country-specific support**

30. National policymaker stakeholders recognized the effectiveness of the Economic Development Division in supporting economic development in Latin America and the Caribbean.

31. In total, 87 per cent of stakeholder survey respondents rated the Economic Development Division's work as very or somewhat effective overall (see figure XI). All stakeholder types were represented, including government ministry policymakers, members of the Resident Coordinator Offices and United Nations country teams, academia, civil society and others. Regarding policy formulation, 80 per cent of respondents reported that they either strongly or somewhat agreed that the Economic Development Division's knowledge products had influenced policymaker's analysis and policy formulation in the areas of macroeconomics, fiscal issues and financing for development. In addition, 68 per cent indicated that the Division's capacity-building activities had contributed to national policy formulation.

Figure XI

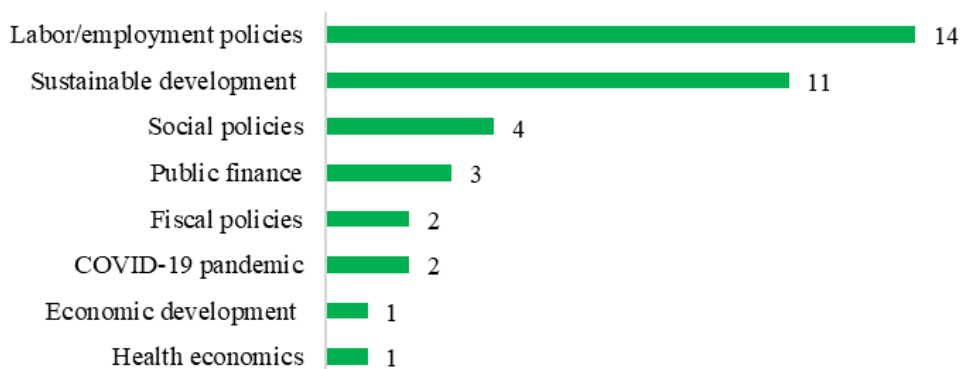
**Economic Development Division overall effectiveness**



Source: OIOS stakeholder survey.

32. Figure XII shows the primary thematic areas that the Economic Development Division's 38 semi-distinct capacity-building projects sought to influence during the 2018–2021 period.

Figure XII  
Thematic focus of the Economic Development Division's capacity-building projects



Source: OIOS Analysis.

33. Examples of the Economic Development Division's self-reported capacity-building initiative contributions to policy outcomes included the following:

- Work on the Costa Rica structural development gap influenced the narrative of the Community of Latin American and Caribbean States, with structural development gaps becoming part of the 2018 regional South-South and triangular cooperation policy proposal. Related work on structural gaps was also adopted by the Regional Conference on South-South Cooperation as part of the renewed "development in transition" cooperation proposal for the period 2020–2021.
- Work related to the Caribbean Resilience Fund, which focused on providing a solution to the subregion's high debt, low growth and climate change challenges, strengthened policymakers' capacity to adopt development finance policies encompassing economic and environmental dimensions.

34. In line with this, 95 per cent of ECLAC staff rated the Economic Development Division's work on influencing policymaker analysis and policy formulation as either very effective or somewhat effective. Furthermore, OIOS knowledge product analysis showed that 79 per cent of the Division's knowledge products included at least one policy-focused recommendation. Stakeholders reported that the annual economic projections in those reports were widely utilized by national Governments and other policymakers, including being regularly quoted in the press.

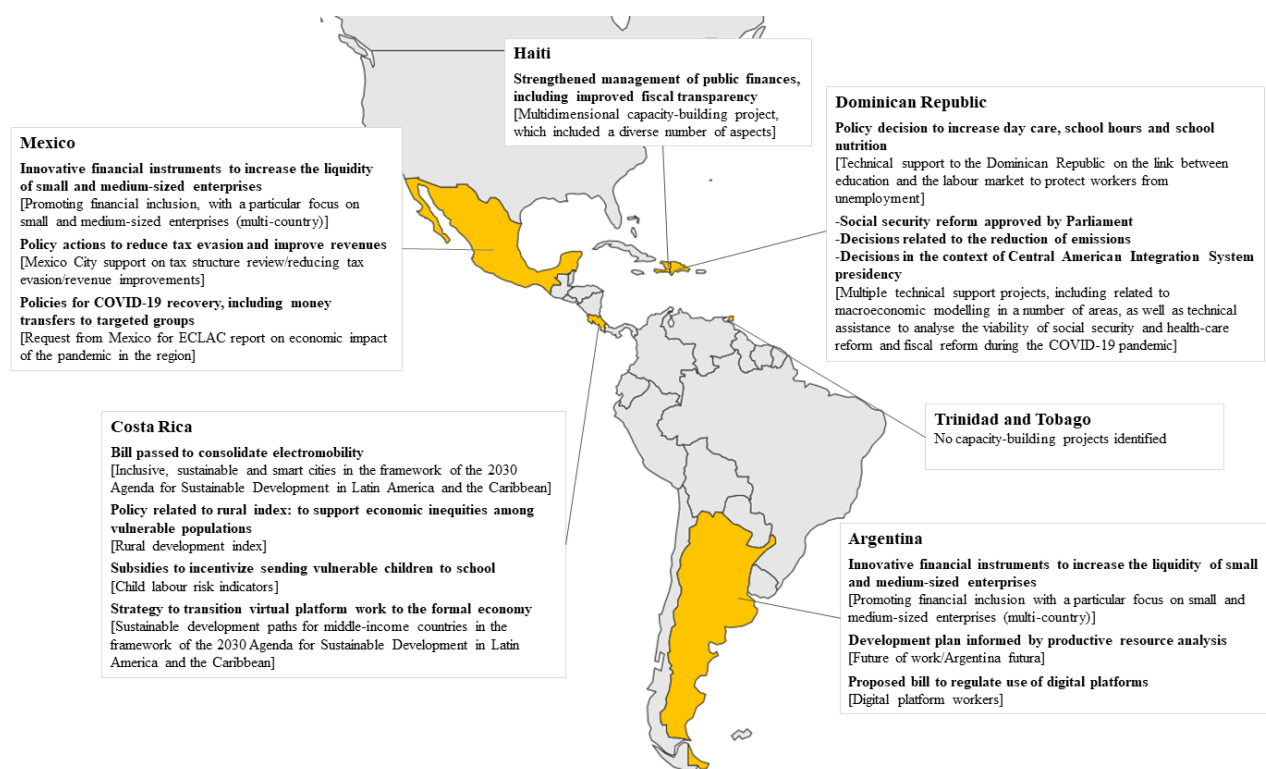
35. Across case study countries, the Economic Development Division's activities in collaboration with ECLAC offices contributed to improved policy design and implementation; for example, in the areas of promoting financial inclusion, labour market policy and fiscal response to the COVID-19 pandemic.

36. The Economic Development Division was recognized as working in concert with ECLAC offices located at the subregional and country levels. Across case study countries with an ECLAC office, relationships with the Division were found to be reciprocal, with ECLAC in-country offices relying on the Division as a partner on substantive issues and the Division relying on in-country offices for specific context and relationship-building. In countries without an ECLAC office, it was more typical for the Division to work directly with national policymakers; however, some degree of engagement with the relevant ECLAC subregional office was often still part of the equation.

37. As shown in figure XIII, during 2018–2021, the Economic Development Division supported 38 semi-distinct capacity-building projects that covered several countries. In case study countries, 27 semi-distinct country-level capacity-building projects were identified that the Division either led or contributed to. Evidence pointed to contributions to concrete policy design and/or approval in 15 out of those 27 projects, or 56 per cent. The figure provides information on the nature of the 15 policy contribution outcomes, the focus of the projects which led to the contribution, and case study countries where concrete outcomes were more prevalent.

Figure XIII

### Nature and distribution of concrete contributions to policy design and/or approval associated with the Economic Development Division's projects by case study, 2018–2021



*Note:* The boundaries and names shown and the designations used in the above map do not imply official endorsement or acceptance by the United Nations.

38. **Argentina – outcomes.** A multi-country Economic Development Division project contributed to the development and utilization of innovative financial instruments to increase the liquidity of small and medium-sized enterprise, which, in turn, contributed to the promotion of greater financial inclusion. This included Division-organized exchanges between policymakers in Argentina, Brazil, Bolivia (Plurinational State of), Colombia, Costa Rica, El Salvador and Mexico. One policymaker praised the impact of this effort, indicating that a specific document provided to the Minister for Production had helped the Government think about the system it was seeking to implement in order to manage guarantee funds, and had allowed them to do in six months what some other countries had done in over 10 years. Furthermore, policymaker interviewees reported that the Division's work with the Ministry of Production and Labour had informed the ministry's 4.0 development plan. That contribution by the Division was said to have included a very deep

productive resource analysis that mapped productive resources throughout the country. Finally, the Division's work supported and influenced the drafting of a proposed bill to regulate the use of digital platforms, which included a focus on worker protections.

39. **Costa Rica – outcomes.** Policymaker stakeholders reported that the work of the Economic Development Division had created momentum across multiple government entities, which had led to the passage of a congressional bill to consolidate electromobility. The Division's work on that project, entitled "Inclusive, Sustainable and Smart Cities in the Framework of the 2030 Agenda for Sustainable Development", had included supporting the identification of demographic, socioeconomic and spatial characteristics in Latin American and Caribbean cities that influenced demand and the inclusive supply of sustainable mobility. A second project with concrete outcome contributions was on the development of a policy related to a rural index that had supported the reduction of economic inequities among vulnerable populations. A third project had contributed to the implementation of incentives to send vulnerable children to school, including the payment of \$200 to vulnerable families. The Division's support had included helping the Government to develop child risk indicators and an associated predictor model. Finally, the Division had contributed to a strategy to transition virtual platform work to the formal economy within the context of a project entitled "Sustainable Development Paths for Middle-income Countries in the Framework of the 2030 Agenda for Sustainable Development in Latin America and the Caribbean".

40. **Dominican Republic – outcomes.** Capacity-building by the Economic Development Division contributed to a policy decision to increase day care, school hours and school nutrition. The Division's technical cooperation had focused on the linkages between education supports and the protection of workers from unemployment. Three other projects of the Division were credited with contributing to the following:

- (a) Progress on the reform of the social security system, including an institutional reform approved by Parliament;
- (b) Influencing decision-making related to the reduction of emissions;
- (c) Supporting decision-making in the context of the presidency of the Dominican Republic of the Central American Integration System.

41. **Mexico – outcomes.** The Economic Development Division contributed to policy actions aimed at reducing tax evasion, improving revenues and implementing a more economically sustainable approach to fiscal issues for Mexico City. The division had supported policymakers who were examining policy options by assisting with a tax structure review analysis. The Division's capacity-building work contributed to policies in support of pandemic recovery, including money transfers to targeted groups. One policymaker reported that, based on ECLAC analysis sent to the Finance Ministry, measures to reduce the economic impact were put in place, and the information in the report was factored into all policies implemented, including money transfers that were sent to specific parts of the population to reduce the economic impact of the pandemic. Finally, in Mexico, as in Argentina, a multi-country project of the Division contributed to the development and utilization of innovative financial instruments to increase the liquidity of small and medium-sized enterprise, which contributed to the promotion of greater financial inclusion.

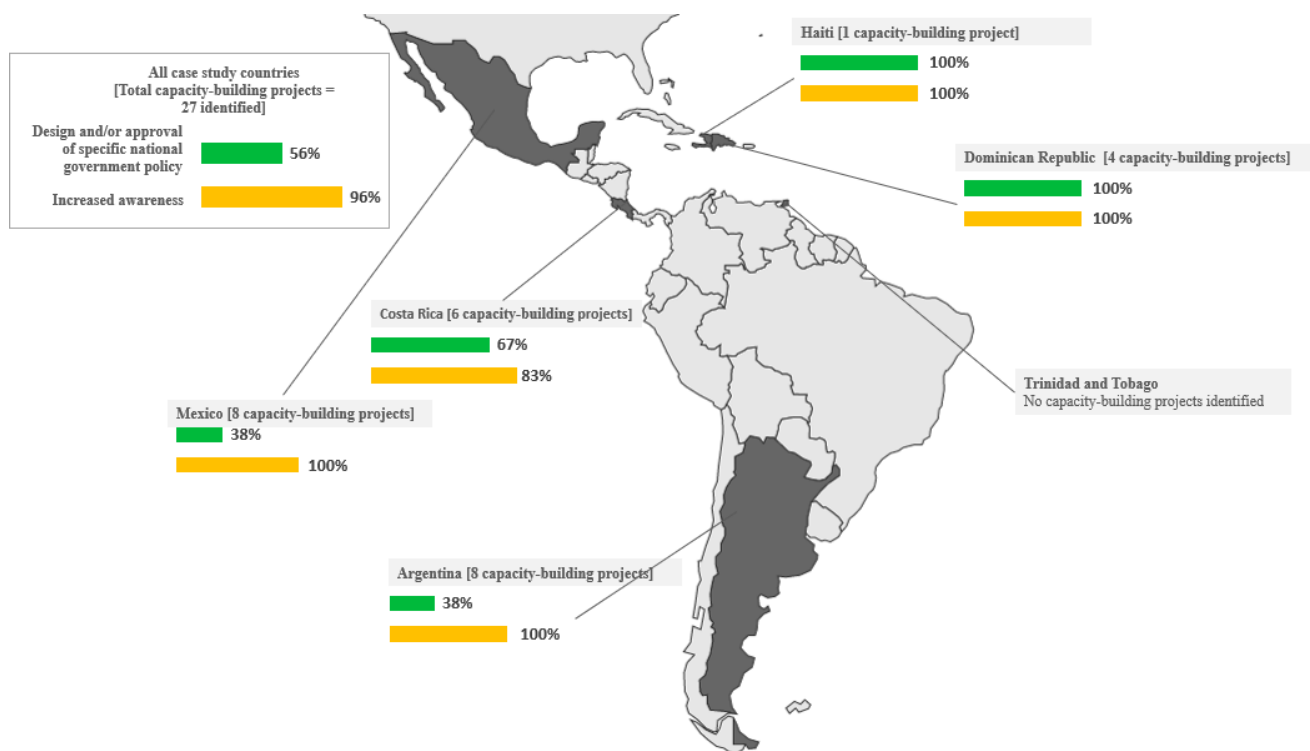
42. In the case of Haiti, one multidimensional project supported by the Economic Development Division was on support to the Directorate-General for the budget of the Ministry of Economy and Finance of Haiti. That project included ambitious intended outcomes, including the design and implementation of short- and medium-

term fiscal policies to increase their effectiveness in tackling the social and economic challenges faced. Evidence indicated that the initiative helped to strengthen budget development capacity, increase awareness in the focus area and bring about some policy change. For example, the Division indicated that the annexes to the 2020–2021 budget project included new documents and technical analysis that corresponded to the main recommendations of the final report presented by ECLAC in June 2019. In addition, Haiti policymaker stakeholders recognized with appreciation the capacity-building support from the ECLAC Mexico subregional office on issues tangentially related to economic development. On Trinidad and Tobago, the evaluation did not identify any concrete contributions to policy design or approval supported by the Division. Trinidad and Tobago was included in the evaluation as a case study country to assess the Division's role in supporting economic development in a country with a subregional office in the Caribbean. Despite multiple attempts to identify relevant national policymakers and gather feedback, the evaluation team was unable to gain such information; therefore, evidence on the possible support and contribution of the Division to outcomes was unknown. Interviews with ECLAC staff in the Trinidad and Tobago subregional office pointed to limited interactions with Division staff regarding the planning and implementation of capacity-building activities.

43. Multiple factors influenced the degree to which the Economic Development Division was effective, including the evolving nature of country-specific needs. At the same time, the Division faced several challenges that hindered its ability to further contribute to economic development policies.

44. While evidence pointed towards the Economic Development Division's contributions to concrete policy design and/or approval in 56 per cent (15 of 27) of capacity-building projects (see figure XIV), in the remainder of projects the Division faced challenges in contributing to outcomes beyond the more immediate result of increased awareness.

Figure XIV  
**Percentage of Economic Development Division capacity-building projects that contributed to policy design/approval vs. increased awareness, by case study countries, 2018–2021**



Source: OIOS analysis.

Note: The boundaries and names shown and the designations used in the above map do not imply official endorsement or acceptance by the United Nations.

45. Table 2 below shows the key factors that influenced the Economic Development Division’s achievement of results, on the basis of case study analysis, stakeholder and staff interviews and survey responses. Table 3 identifies the challenges that the Division had to navigate as it sought to maximize the concrete outcomes.

Table 2  
**Selected factors that influenced the impact of the Economic Development Division on policy formulation**

*Factors that contributed to outcomes*

Good match between active work under way by national policymakers and Economic Development Division expertise/thematic focus areas

Project with a specific, very tangible outcome defined

Support targeted so that it builds on a current law and/or fully formed national initiative

Longer-term Division support with ability to pivot as country-level dynamics shift

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*Factors that contributed to outcomes*

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Joint project with ECLAC country-level office, United Nations country team member and/or non-United Nations entity

Connecting and supporting multiple Governments with interest in the same area of economic development focus

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*Source:* OIOS analysis.

Table 3

**Selected challenges hindering the impact of the Economic Development Division on policy formulation**

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*Challenges associated with the Economic Development Division's efforts to contribute to concrete policy design/full policy implementation*

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Need for flexibility to be responsive to national policymaker requests for support

Political considerations, including in some cases confidentiality requests

Tension between the need for flexibility and the need for coherence within the common country analysis /United Nations common country strategic framework processes

Transaction costs associated with joint project work

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*Factors associated with less impactful outcomes*

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Mismatch between the level of national policymaker expectations and feasibility of what ECLAC/ Economic Development Division can offer

Limited engagement based on insufficient resources and/or change in degree of national policymaker interest

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*Source:* OIOS analysis.

*Economic Development Division strategic reach not viewed as optimal, which limited its potential for further impact*

46. Across multiple countries and stakeholder groups, the most frequently cited response on how the Economic Development Division could improve its effectiveness was to increase its impact through more strategic country-specific work. Stakeholders pointed to a need for national policymakers to be provided with a better understanding on what types of technical cooperation were available and the process for accessing support. One national policymaker echoed the voice of others saying, that the Division “needs more aggressive dissemination processes so we can learn about what it can offer”. Similarly, one Resident Coordinator shared their perspective about a need to “rethink the work the Division does in terms of support packages”, stating that they would like to see ECLAC “drill down” and provide specific solutions for specific countries.

*Room for improvement in outcome-level performance planning and monitoring; the current performance reporting framework may have limited the Economic Development Division's ability to maximize its results*

47. OIOS performance data analysis showed that, while several capacity-building projects had some documentation associated with them, the Economic Development

Division did not systematically document the volume and nature of other capacity-building/technical cooperation requests received from member States. Governments, central banks, regional cooperation agencies, development banks and other regional commissions reported that they had made formal and informal requests to Division management. The Division stated that they effectively responded to all assistance requests within their mandate and that the absence of a systematic approach to documenting and tracking was partly due to some requests requiring confidentiality. Nevertheless, no formal mechanism existed to track these requests systematically at the aggregate level. Without such a mechanism, the Division was unable to plan effectively to ensure that it prioritized in a manner that maximized its limited resources within a context of competing demands. Nor did it have a mechanism that allowed for other United Nations entities to identify the Division's activities under way in countries where their organizations might be engaged in related capacity-building activities.

48. In addition, performance data analysis showed that the Economic Development Division provided some evidence of their influence on policy design. For example, some outcome-level indicators, such as the percentage of surveyed readers who acknowledged having benefited from the subprogramme's publications in terms of strengthening their capacity to analyse macroeconomic and development financing issues, were measured through beneficiary surveys of knowledge products as well as surveys of seminar attendees. Furthermore, despite the difficulty of measuring and establishing causal relationships between the Division's interventions and policy adoptions, the Division provided some evidence for more complex outcome indicators, such as the number of policies, measures or actions taken by economic and development policymaking authorities in line with ECLAC recommendations. In the context of the Division's accomplishment account performance reporting, documentation that sought to correlate policy adoptions to the Division's interventions was limited. For example, more consistent data identifying the specific capacity-building activities that were perceived to have contributed to a given policy were largely missing. This resulted in somewhat limited outcome-level data and limited the usefulness of monitoring data for strategic planning purposes.

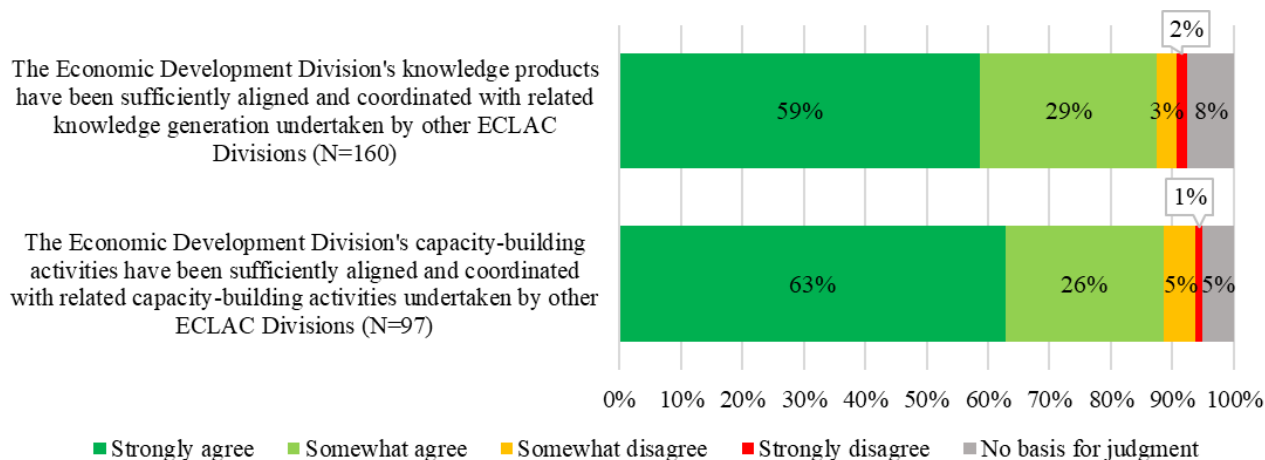
#### **D. While cross-divisional collaboration was effective in supporting member States on economic development issues, feedback on collaboration and integrated programming with other United Nations entities was mixed**

49. Despite the complex economic context brought about by the COVID-19 pandemic, overall, the collaboration of the Economic Development Division with other Divisions was positive. The degree and modalities of collaboration varied depending on the type of activity; collaboration to produce knowledge products was institutionalized, but that was not the case for capacity-building activities.

50. Overall, ECLAC staff provided positive feedback on the degree to which alignment was achieved between the work of the Economic Development Division and that of other Divisions. Over 85 per cent of ECLAC staff survey respondents agreed or somewhat agreed that the Division's knowledge products had been sufficiently aligned and coordinated with related knowledge generation undertaken by other ECLAC Divisions, and that the Division's capacity-building activities had been sufficiently aligned and coordinated with related capacity-building activities undertaken by other ECLAC Divisions (see figure XV).



Figure XV  
Economic Development Division coordination within ECLAC



Source: OIOS staff survey.

51. At the same time, case study analysis indicated that there were differing levels of collaboration across different geographical locations and activity types. Work on knowledge products was better coordinated than capacity-building activities. Interviewees reported that, for knowledge products, there was an institutional coordination system that included a clear division of responsibilities and expected outputs, agreed timelines and a well-established communication flow among all ECLAC staff stakeholders involved.

52. Regarding capacity-building activities, interviewees reported, and documentation review indicated, that coordination was more ad hoc. Capacity-building activities were demand-driven and implemented on the basis of requests from member States and the resources available within the Division. There was no planned framework or pre-established coordination mechanism. This approach, with its demand-driven orientation, had led to less systematic planning and ad hoc, case-by-case coordination between the Economic Development Division and ECLAC subregional and country offices.

53. When asked about areas for improvement, staff survey respondents highlighted a lack of institutionalized coordination, including limited dedicated space for exchange. The respondents pointed out that the Economic Development Division and other ECLAC offices' reliance on ad hoc approaches to coordination sometimes made it difficult to capitalize fully on potential synergies, thus narrowing the opportunities for other offices to capitalize fully on the Division's expertise, and vice versa.

54. There were positive examples of effective inter-agency collaboration and integrated programming. However, those collaborations had not yet risen to the level needed to meet United Nations development reform aspirations around system-wide coherence.

55. General Assembly resolutions pertaining to United Nations development system reform stressed the importance of improving integrated programming across the United Nations system, including at the country level. For the Economic Development Division, this translated to the need to coordinate effectively with ECLAC country-based offices, Resident Coordinator Offices, all other United Nations agencies and United Nations country team members, including the Department of Economic and Social Affairs of the Secretariat.

56. The recent OIOS evaluation of the Department of Economic and Social Affairs<sup>7</sup> found that there were insufficient coordination mechanisms in place between the Department and the regional commissions. Stakeholder interviewee responses and case study analyses associated with that evaluation pointed in the same direction. Informal ad hoc arrangements were the norm, with no formal or semi-formal mechanisms reported by stakeholders to be in place, in particular regarding capacity-building projects. Resident Coordinator Offices and United Nations country team stakeholders provided mixed feedback on the degree of collaboration and coordination with ECLAC at large, including the Economic Development Division's economic development work. For example, two out of the six Resident Coordinator Office teams interviewed reported that, in some instances, ECLAC had worked directly with the Government on economic development issues at the operational level without coordinating with United Nations resident entities, creating potential duplication of efforts. It was further reported that there was limited information on the common UN-Info reporting platform of ECLAC activities at the country-level. On the positive side, in instances where the Division had collaborated with United Nations country team entities on the development and dissemination of knowledge products, feedback on coordination was more positive. Examples of inter-agency collaboration in this regard included a joint publication with the International Labour Organization (ILO) entitled "Employment situation in Latin America and the Caribbean: Employment trends in an unprecedented crisis: policy challenges", published in November 2020.

57. Regarding collaboration in the context of the common country analysis and the development of the United Nations common country strategic framework, case study data showed Argentina and Mexico as two examples of effective collaboration. The Resident Coordinator Office and United Nations country team stakeholder interviewees in Mexico pointed to proactive engagement with ECLAC, including the utilization of inputs from the Economic Development Division. One stakeholder specified that the Mexico-United Nations cooperation framework was composed of four general areas and expected results; one of the expected results having been developed by ECLAC and ILO. The interviewees highlighted that this was a new and effective way of collaborating across entities. At the same time, in four of the six case study countries, stakeholders reported that the Division had not participated in the system-wide planning processes. In those countries, it was reported that, if the Division had coordinated its country-level activities, it was mainly through bilateral interactions with relevant United Nations entities rather than through institutional coordination mechanisms. This was reported to have resulted in a somewhat reduced opportunity for United Nations country teams to fully capitalize on the Division's comparative advantages, as envisioned by the United Nations development reform.

58. Case study data indicated a lower degree of collaboration with countries in the Caribbean region compared with those in Latin and Central America. This seemed to be owing to several factors and to be particularly problematic in the case of Haiti. Respondents pointed out the limited availability of the Economic Development Division's French-speaking staff and French versions of knowledge products as a potential cause of perceived exclusion.

59. Regarding the Economic Development Division's collaboration with other relevant organizations, some stakeholders pointed to contrasting approaches, between for example the Division and the World Bank, expressing appreciation for the holistic and innovative economic development orientation promoted by the Division. Its active collaboration on specific projects was most intensive with OECD, the United Nations Conference on Trade and Development and the Inter-American Development

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<sup>7</sup> E/AC.51/2021/5.

Bank. The collaboration with those entities and other development banks had resulted in the publication of joint annual reports, such as *Revenue Statistics in Latin America and the Caribbean 2021* and *The Latin American Economic Outlook*. Interactions with other organizations active in the same realm took the form of information-sharing, which mostly occurred through the Division's invitations to forums, such as its seminar on fiscal policy.

60. The Economic Development Division has been formally designated the focal point of the ECLAC Economists' Network. Economists of the Resident Coordinator Offices from the six case study countries provided positive feedback on the workshop led by the Division to inform them about the support that ECLAC divisions could potentially provide to them. However, from a system-wide point of view, the lack of clarity around the role of those economists, as well as the respective roles of the Department of Economic and Social Affairs and the Division in the context of implementing this United Nations development reform measure, were identified as obstacles to more fully operationalizing partnerships between the Division, the wider United Nations Economists' Network and intended beneficiaries at the country-level. In two out of the six case studies, the Division had some ongoing collaboration with the country-level Resident Coordinator Office economists, working together with them to draft country-level economic analyses and thematic papers on relevant economic issues. However, across the case study countries, the data indicated limited understanding of respective roles and limited successful collaborations at the substantive level to date.

61. At the regional level, the Economic Development Division's participation was evidenced by the fact that it served as the Technical Co-Chair of two issues-based coalitions of the Regional Collaborative Platform for Latin America and the Caribbean: the equitable growth coalition and the financing for development coalition. One of the 2021 key deliverables of the equitable growth coalition was to provide capacity-building on issues related to equitable growth. Country-level case study data combined with a review of the documentation of the Regional Collaborative Platform indicated that there was a need to take additional steps to ensure that the evolving work plans of the two issues-based coalitions were adequately integrated with relevant United Nations common country strategic frameworks, as well as any relevant country-level capacity-building work undertaken by global-level entities, such as the Department of Economic and Social Affairs.

## V. Recommendations

62. The OIOS Inspection and Evaluation Division makes the below three important recommendations that ECLAC and the Economic Development Division has accepted.

### **Recommendation 1 (results B and D)**

63. Within the context of its regional, subregional and transboundary mandate to support sustainable development, the Economic Development Division should put in place an improved mechanism to plan, coordinate and monitor more systematically its project-based technical cooperation and capacity-building work. This mechanism should:

(a) Support outreach and visibility goals by enabling the tracking of the Economic Development Division's technical cooperation requests and activities under way, including in a manner that allows United Nations offices, such as Resident Coordinator Offices, United Nations country teams and ECLAC country-based

offices, to view a summary of the country-level project-based work of ECLAC and the Economic Development Division;

(b) Support prioritization among projects within the context of the Economic Development Division's overarching strategic priorities and inform its technical cooperation strategies;

(c) Enable monitoring of outputs and outcomes to which the Economic Development Division contributed for each technical cooperation/ capacity-building project the Division is engaged in;

(d) Enable and supports organizational learning;

(e) Factor-in any relevant capacity-building project-tracking mechanisms being put in place by the Development Coordination Office regional office, Resident Coordinator Offices, the Department of Economic and Social Affairs or other relevant entities.

*Indicator of achievement:* Economic Development Division strategy related to the identification and prioritization of technical cooperation projects and evidence of a mechanism in support of subparagraphs (a) to (e) above

### **Recommendation 2 (results A, B and C)**

64. Within its regional, subregional and transboundary mandate, with a focus on promoting outreach and visibility, the Economic Development Division should undertake a review of its country-level activities and coverage to inform management actions and strategies. This should cover the Division's knowledge product and capacity-building activities and should include the following:

(a) Consideration of whether sufficient prioritization is being given to countries with greater economic development needs and a higher risk of not achieving the Sustainable Development Goals;

(b) Consideration of whether additional outreach to the countries with greater needs, including through more effective engagement of the Resident Coordinator Offices and/or more intensive collaborations with ECLAC subregional and national offices, would increase the impact of the Division's activities;

(c) Consideration of whether the Division should reorient a larger percentage of its knowledge product work toward more country-specific products (or publication sections) that directly support policy implementation.

*Indicator of achievement:* document outlining the results of a review of the Economic Development Division's country-level specific coverage, including a plan for additional actions

### **Recommendation 3 (result D)**

65. Within the context of its regional, subregional and transboundary mandate and the United Nations reform implementation measures under way, the Economic Development Division should develop a detailed internal strategic plan and/or guiding principles to identify and articulate its related role and envisioned responsibilities, including the following:

(a) A mapping of the Division's recent and current country-specific work where some nexus might exist with other United Nations country teams;

(b) Consideration of how the Division's activities can be more consistently factored into the common country analysis and United Nations Sustainable Development Cooperation Framework development processes across all relevant countries;

(c) Building on the work already undertaken, and in conjunction with the Department of Economic and Social Affairs, the development of a more formal plan by ECLAC and the Division to support the Economists' Network regionally, including the identification of additional specific activities and associated tangible outputs/outcomes;

(d) Continued leadership role and systematic engagement of ECLAC and the Division at the regional level on related issues-based coalitions.

*Indicator of achievement:* an internal strategic plan and/or document with guiding principles which incorporates subparagraphs (a) to (d) above, and a document outlining the planned steps

**Annex\***

**Comments received from the Executive Secretary of the Economic Commission for Latin America and the Caribbean on the draft report**

The Economic Commission for Latin America and the Caribbean (ECLAC) welcomes this comprehensive report, which provides evidence supporting the relevance, effectiveness and coherence of the work undertaken by ECLAC's Economic Development Division (EDD) at the regional and country level. EDD is at the forefront of macroeconomic and financing for development analysis in Latin America and the Caribbean and, as evidenced by the report, plays a key role in strengthening the capacity of policymakers at the country-level in the analysis and formulation of policies. The division's regional knowledge products and forums of key stakeholders, combined with country-level technical assistance, provide a solid basis for the creation of sustainable and inclusive development policies in the region.

We accept the recommendations of the report, reflecting our strong commitment to the reform of the United Nations Development System (UNDS). EDD plays a catalytic role in this process through its position as focal point for the work of the Equitable Growth and Financing for development Issues Based Coalitions, and the regional economists' network, in coordination with the regional Development Coordination Office (DCO), the Resident Coordinator's Offices and United Nations country teams (UNCTs).

I would like to take the opportunity to thank you for this report and welcome the recommendations it contains, and to thank the Office of Internal Oversight Services (OIOS) for the collaborative approach in this evaluation.

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\* In the present annex, the Office of Internal Oversight Services sets out the full text of comments received from the Economic Commission for Latin America and the Caribbean on the draft report. The practice was instituted in line with General Assembly resolution [64/263](#), following the recommendation of the Independent Audit Advisory Committee.